## AMENDED IN SENATE APRIL 17, 2006 AMENDED IN SENATE APRIL 6, 2006

## **SENATE BILL**

No. 1593

## **Introduced by Senators Runner and Lowenthal**

(Principal coauthor: Assembly Member Oropeza) (Coauthor: Assembly Member Benoit)

February 24, 2006

An act to amend Sections 22658, 22953, and 40000.15 of, and to repeal Section 22658.2 of, of the Vehicle Code, relating to vehicles.

## LEGISLATIVE COUNSEL'S DIGEST

SB 1593, as amended, Runner. Vehicles: removal: storage.

(1) Existing law requires a towing company to remove a vehicle parked on private property to the nearest public garage under specific circumstances if, among other things, the property owner or lessee's prior written authorization is obtained. Existing law requires as one of the conditions under which a vehicle may be removed from private property that a sign of specified dimensions and specified size for lettering conveying specified information be posted on the property. Existing law makes it a crime to violate provisions of the Vehicle Code.

This bill would recast these provisions and would, among other things:

- (a) Require a vehicle *to* be removed to a storage facility meeting certain requirements, as specified.
- (b) Require the sign to include the name and telephone number of the towing company authorized to remove vehicle from the property.

  (c)

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(b) Require a towing company to post a \$25,000 bond and to hold a valid motor carrier permit, and to provide copies of the bond and permit to the owner, owner's agent, or person in lawful possession of the private property.

(d)

(c) Eliminate the liability of a towing company for damages to a removed vehicle while in transit and subsequent storage if the removal is made with the authorization of the owner, owner's agent, or person in lawful possession of the private property.

<del>(e)</del>-

(d) Subject to a civil liability of \$2,500, a towing company that fails to obtain the required bond.

<del>(f)</del>-

(e) Require the owner, owner's agent, or person in lawful possession, or lessee of the private property, or an employee or agent of the owner or lessee, to have a written agreement containing specified terms with a towing company before authorizing the removal of a vehicle parked on the private property.

<del>(g)</del>

(f) Increase the liability of an owner, owner's agent, or person in lawful possession of the private property, not to exceed \$750, who fails to comply with specified requirements.

<del>(h)</del>

(g) Make a tow truck operator liable for a specified amount if the operator fails to return a vehicle to the vehicle's owner or owner's agent, upon his or her request, when the vehicle has not been removed from the property.

(i)-

(h) Limit, to a specified amount, the release fee that a storage facility operator may charge for releasing a vehicle after normal business hours, as defined.

<del>(i)</del>

(i) Require a tow truck operator and all of the towing company's drivers to meet specified requirements.

<del>(k)</del>

(j) Require a tow truck operator removing-a vehicle from a private property to take 2 photographs of the vehicle clearly showing the violation before removing the vehicle and to provide a vehicle owner or owner's agent with a photocopy of the photograph, under specified conditions.

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(l)

(k) Require a tow truck operator, upon a vehicle owner's request, to immediately and unconditionally release a vehicle that is not yet removed from private property and in transit.

(m)

(1) Require a person operating or in charge of a storage facility to conspicuously display in that portion of the office where business is conducted with the public a sign of specified dimensions and lettering advising that a valid bank credit card and cash are acceptable means of payment.

<del>(n)</del>

(m) Authorize, under a general authorization to remove a vehicle, the removal of vehicles that are illegally parked in a space or stall designated for disabled persons.

(0)

(n) Require the towing tow truck operator to notify the appropriate law enforcement agency of the removal, within 60 minutes of removing the vehicle from the private property.

The bill would—makes visitation make a violation of some of the above provisions—of a misdemeanor, thereby, imposing a state-mandated local program.

(2) Existing law prohibits an owner or person in lawful possession of private property that is held open to the public, or a discernible portion thereof, for parking of vehicles at no fee, from towing or removing, or causing the towing or removal of a vehicle within one hour of the vehicle being parked, except as excluded.

This bill would exclude from this prohibition a vehicle that is parked in a manner that interferes with an entrance to, or exit from, the private property.

(3) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

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1 2

The people of the State of California do enact as follows:

SECTION 1. Section 22658 of the Vehicle Code is amended to read:

- 22658. (a) An owner, the owner's agent, or person in lawful possession of—a private property, including an "association", as defined in Section 1351 of the Civil Code, of a common interest development, who has reliable documentation showing that the towing company that will be used to remove a vehicle has posted a bond required pursuant to this section and has a valid motor carrier permit issued pursuant to Chapter 2 (commencing with Section 36420) of Division 14.85, may cause the removal of a vehicle parked on the property to a storage facility that meets the requirements of subdivision (n) under any of the following circumstances:
- (1) There is displayed, in plain view at all entrances to the property, a sign not less than 17 by 22 inches in size, with lettering not less than one inch in height, prohibiting public parking and indicating that vehicles will be removed at the owner's expense, and containing the telephone number of the local traffic law enforcement agency and the name and telephone number of the towing company authorized to remove vehicles from the property. The sign may also indicate that a citation may also be issued for the violation.
- (2) The vehicle has been issued a notice of parking violation, and 96 hours have elapsed since the issuance of that notice.
- (3) The vehicle is on private property and lacks an engine, transmission, wheels, tires, doors, windshield, or any other major part or equipment necessary to operate safely on the highways, the owner or person in lawful possession of the private property has notified the local traffic law enforcement agency, and 24 hours have elapsed since that notification.
- (4) The lot or parcel upon which the vehicle is parked is improved with a single-family dwelling.
- (b) (1) The tow truck operator removing the vehicle, if the person knows or is able to ascertain from the property owner or the registration records of the Department of Motor Vehicles the name and address of the registered and legal owner of the vehicle, shall immediately give, or cause to be given, notice in writing to the registered and legal owner of the fact of the

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removal, the grounds for the removal, and indicate the place to which the vehicle has been removed. If the vehicle is stored in a storage facility, a copy of the notice shall be given to the proprietor of the storage facility. The notice provided for in this section shall include the amount of mileage on the vehicle at the time of removal and the time of removal from the property. If the tow truck operator does not know and is not able to ascertain the name of the owner or for any other reason is unable to give the notice to the owner as provided in this section, the tow truck operator shall comply with the requirements of subdivision (c) of Section 22853 relating to notice in the same manner as applicable to an officer removing a vehicle from private property.

- (2) Within 60 minutes of removing the vehicle from the property, the tow truck operator shall notify the appropriate law enforcement agency of the removal. A tow truck operator who fails to provide this information in a timely manner is guilty of a misdemeanor, punishable by a fine of not more than two thousand five hundred dollars (\$2,500) or by imprisonment in the county jail for not more than three months, or by both that fine and imprisonment.
- (c) This section does not limit or affect any right or remedy that the owner, owner's agent, or person in lawful possession of private property may have by virtue of other provisions of law authorizing the removal of a vehicle parked upon the private property.
- (d) An owner of a vehicle removed from private property pursuant to subdivision (a) may recover for any damage to the vehicle resulting from any intentional or negligent act of any person causing the removal of, or removing, the vehicle.
- (e) An owner, owner's agent, or person in lawful possession of a private property causing the removal of a vehicle parked on that property is liable for four times the storage and towing charges, but not to exceed seven hundred fifty dollars (\$750), whenever there has been a failure to comply with paragraph (1), (2), or (3) of subdivision (a) or to state the grounds for the removal of the vehicle if requested by the legal or registered owner of the vehicle as required by subdivision (f).
- (f) An owner, owner's agent, or person in lawful possession of a private property causing the removal of a vehicle parked on that property, or a tow truck operator that removes the vehicle shall

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state the grounds for the removal of the vehicle if requested by the legal or registered owner of that vehicle. A towing company that removes a vehicle from private property in compliance with subdivision (*l*) shall not be held responsible in a situation relating to the validity of the removal. A towing company that removes the vehicle under this section shall be responsible for the following:

- (1) Damage to the vehicle in the transit and subsequent storage of the vehicle.
- (2) The removal of a vehicle other than the vehicle specified by the owner, owner's agent, or other person in lawful possession of the private property.
- (g) (1) Possession of a vehicle under this section shall be deemed to arise when a vehicle is removed from private property and is in transit.
- (2) Upon the request of the owner of the vehicle or that owner's agent, the towing company or its driver shall immediately and unconditionally release a vehicle that is not yet removed from the private property and in transit.
- (3) A tow truck operator failing to comply with paragraph (2) is guilty of a misdemeanor, punishable by a fine of not more than two thousand five hundred dollars (\$2,500) or by imprisonment in the county jail for not more than three months, or by both that fine and imprisonment.
- (4) A tow truck operator that fails to comply with paragraph (2) shall be civilly liable to the vehicle owner for four times the applicable towing and storage charges, but not to exceed two thousand five hundred dollars (\$2,500).
- (h) (1) A towing company may impose a charge of not more than one-half of the regular towing charge for the towing of a vehicle at the request of the owner, the owner's agent, or the person in lawful possession of a private property pursuant to this section if the owner of the vehicle or that owner's agent returns to the vehicle after it has been coupled to the tow truck by means of a regular hitch, coupling device, drawbar, *or* portable dolly, or lifted off the ground by means of a conventional trailer, but before the vehicle is removed from the private property.
- (2) The regular towing charge may only be imposed after the vehicle has been removed from the property and is in transit.

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(3) A vehicle owner who fails to pay the fee specified in paragraph (1) within 45 days of receipt of a written invoice shall be responsible for the full regular towing charge and all reasonable costs of collection.

- (i) (1) A charge for towing or storage, or both, of a vehicle under this section is excessive if the charge is greater than that which would have been charged for towing or storage, or both, made at the request of a law enforcement agency under an agreement between a towing company and the law enforcement agency that exercises primary jurisdiction in the city in which is located the private property from which the vehicle was, or was attempted to be, removed, or if the private property is not located within a city, then the law enforcement agency that exercises primary jurisdiction in the county in which the private property is located.
- (2) If a vehicle is released within 24 hours from the time the vehicle is brought into the storage facility, regardless of the calendar date, the storage charge shall be for only one day. Not more than one day's storage charge may be required for any vehicle released the same day that it is stored.
- (3) If a request to release a vehicle is made and the appropriate fees are tendered and documentation establishing that the person requesting release is entitled to possession of the vehicle, or is the owner's insurance representative, is presented within the initial 24 hours of storage, and the storage facility fails to comply with the request to release the vehicle or is not open for business during normal business hours, then only one day's storage charge may be required to be paid until after the first business day. A business day is any day in which the lienholder is open for business to the public for at least eight hours. If a request is made more than 24 hours after the vehicle is placed in storage, charges may be imposed on a full calendar day basis for each day, or part thereof, that the vehicle is in storage.
- (4) A fee charged to release vehicles after the normal business hours shall not exceed one-half the regular towing charges.
- (j) (1) A person who charges a vehicle owner a towing, service, or storage charge at an excessive rate, as described in subdivision (h) or (i), is civilly liable to the vehicle owner for four times the amount charged, not to exceed two thousand five hundred dollars (\$2,500).

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(2) A person who knowingly charges a vehicle owner a towing, service, or storage charge at an excessive rate, as described in subdivision (h) or (i), is guilty of a misdemeanor, punishable by a fine of not more than two thousand five hundred dollars (\$2,500) or by imprisonment in the county jail for not more than three months, or by both that fine and imprisonment.

- (k) (1) A person operating or in charge of a storage facility where vehicles are stored pursuant to this section shall accept a valid bank credit card or cash for payment of towing and storage by a registered owner or the owner's agent claiming the vehicle.
- (2) A person described in paragraph (1) shall conspicuously display, in that portion of the storage facility office where business is conducted with the public, a sign not less than eight and one-half inches by 11 inches in size, with lettering not less than one inch in height, advising that valid bank cards and cash are acceptable means of payment.
- (3) A person described in paragraph (1) who refuses to accept a valid bank credit card, or who fails to post the required sign under paragraph (2) is guilty of a misdemeanor, punishable by a fine of not more than two thousand five hundred dollars (\$2,500), or by imprisonment in the county jail for not more than three months, or by both that fine and imprisonment.
- (4) A person described in paragraph (1) is civilly liable to the registered owner of the vehicle for four times the amount of the towing and storage charges, but not to exceed seven hundred fifty dollars (\$750).
- (5) A person described in paragraph (1) shall have sufficient moneys on the premises of the primary storage facility during normal business hours to accommodate, and make change in, a reasonable monetary transaction.
- (6) Credit charges for towing and storage services shall comply with Section 1748.1 of the Civil Code. Law enforcement agencies may include the costs of providing for payment by credit when making agreements with towing companies as described in subdivision (i).
- (1) (1) Except as provided in paragraph (2), a towing company shall not remove or commence the removal of a vehicle from private property without first obtaining written authorization from the property owner, the owner's agent, or person in lawful possession of the private property or lessee, or an employee or

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1 agent of the owner or lessee, who shall be present at the time of 2 the removal. The written authorization shall include all of the 3 following:

- (A) The make, model, and license plate number of the removed vehicle.
- (B) The name, signature, job title, business address, and working telephone number of the person authorizing the removal of the vehicle.
  - (C) The grounds for the removal of the vehicle.

- (D) The time when the vehicle was first observed parked at the private property.
- (E) The time when the vehicle was removed from the private property.
- (2) General authorization to remove or commence removal of a vehicle at the towing company's discretion—may shall not be delegated to a towing company or its affiliates, except in the case of a vehicle unlawfully parked within 15 feet of a fire hydrant or in a fire lane, in a parking space or a stall legally designated for disabled persons without a proper permit, or in a manner in a fire lane, or in a manner that interferes with an entrance to, or exit from, the private property, if the towing company meets all the following property. The towing company shall meet all of the following requirements:
- (A) The towing company and the property owner, owner's agent, or person in lawful possession of the private property shall have a valid written agreement that authorizes the towing company to remove vehicles from the property pursuant to this paragraph.
- (B) The towing company—posts shall post a bond pursuant to subdivision (o) and—provides shall provide a certified copy of the bond to the property owner, owner's agent, or person in lawful possession of the property as an attachment to the valid agreement required by subparagraph (A).
- (C) The tow truck operator responsible for removing the vehicle from the property shall have successfully completed a Department of California Highway Patrol approved tow truck driver training and education course within 90 days of being hired by the towing company.
- 39 (D) All of the towing company's drivers shall be enrolled in 40 the Department of Motor Vehicle's Pull Notice Program.

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(E) The towing company shall have a valid motor carrier permit and shall provide a certified copy of the permit to the property owner, owner's agent, or person in lawful possession of the property as an attachment to the valid written agreement required by this subparagraph (A)).

- (3) If a towing company removes a vehicle pursuant to paragraph (2), the towing company shall take, prior to the removal of that vehicle, a photograph of the vehicle that clearly indicates that parking violation. The towing company shall keep one copy of the photograph taken pursuant to this paragraph, and, prior to accepting payment, shall present that photograph and provide a photocopy to the owner or an agent of the owner, when that person claims the vehicle.
- (4) When the vehicle owner, or owner's agent claims the vehicle, the towing company prior to payment of any towing or storage charge shall provide a copy of the written authorization required pursuant to paragraph (1) or the written authorization agreement required pursuant to subparagraph (A) of paragraph (2), as appropriate, to the vehicle owner or owner's agent.
- (5) A towing company shall maintain the written authorizations and photographs required by this subdivision for a period of three years and shall make them available for inspection and copying without a warrant during normal business hours to law enforcement, the Attorney General, district attorney, or city attorney.
- (6) A person who violates this subdivision is guilty of a misdemeanor, punishable by a fine of not more than two thousand five hundred dollars (\$2,500), or by imprisonment in the county jail for not more than three months, or by both that fine and imprisonment.
- (7) A person who violates this subdivision is civilly liable to the owner of the vehicle, or his or her agent, for 10 times the amount of the towing and storage charges, not to exceed two thousand five hundred dollars (\$2,500).
- (m) (1) A towing company or tow truck operator that removes or commences to remove a vehicle from private property without a valid motor carrier permit is guilty of a misdemeanor and punishable pursuant to Section 34661.
- 39 (2) A law enforcement officer may impound a tow truck under 40 any of the following situations:

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(A) The tow truck is operating without a valid motor carrier permit.

- (B) The tow truck operator is removing a vehicle without the bond required pursuant to subdivision (o).
- (C) The tow truck operator is removing a vehicle without a written agreement or written authorization from the property owner, owner's agent, or person in lawful possession of the property.
- (3) The law enforcement officer shall comply with the requirements of Section 22852.
- (4) The tow truck shall be released to the registered owner or authorized agent after the registered owner or agent furnishes the law enforcement agency proof of current registration, a current valid driver's license of the appropriate class to operate the vehicle or combination of vehicles, and proof of compliance with Division 14.85 (commencing with Section 34600). The registered owner or authorized agent is responsible for all towing and storage charges related to the impoundment.
- (n) A vehicle removed from private property pursuant to this section shall be stored in a facility that meets all of the following requirements:
- (1) Remains open during normal business hours and releases vehicle after normal business hours.
- (2) Has a public pay phone within 100 feet of the entrance of the storage facility or has a telephone available for customer use during normal business hours.
- (3) Has a liability and property insurance of at least one million dollars (\$1,000,000) in place.
- (4) Is enclosed by a permanent security fence and equipped with adequate lighting, if the facility is outdoors.
- (5) Is located within a 12-mile 10-mile radius of the property from where the vehicle was removed, or, if there is no facility within a 12-mile 10-mile radius that complies with the requirements of paragraphs (1) to (4), inclusive, the closest facility that complies with those requirements.
- (o) (1) A towing company removing a vehicle pursuant to this section shall procure and file with the Department of Motor Vehicles a bond, in the amount of twenty-five thousand dollars (\$25,000).

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(2) The bond required by this subdivision shall be executed by an admitted surety insurer, approved as to form by the Attorney General, and conditioned that the towing company shall satisfy any civil liability to the owner of a vehicle imposed pursuant to this section; and that the towing company shall not practice any fraud or make any fraudulent presentation that will cause a monetary loss to the owner, owner's agent, or person in lawful possession of private property, or the owner of the vehicle.

- (3) A person who violates this subdivision is guilty of a misdemeanor, punishable by a fine of not more than two thousand five hundred dollars (\$2,500), or by imprisonment in the county jail for not more than three months, or by both that fine and imprisonment.
- (4) A person who violates this subdivision is civilly liable to the owner of the vehicle in the amount of two thousand five hundred dollars (\$2,500).
- (p) For the purposes of this section, "normal business hours" are Monday through Friday from 8:00 a.m. to 5:00 p.m., except on state holidays.
- (q) (1) It is the intent of the Legislature in the adoption of subdivision (k) to assist vehicle owners or their agents by, among other things, allowing payment by credit cards for towing and storage services, thereby expediting the recovery of towed vehicles and concurrently promoting the safety and welfare of the public.
- (2) It is the intent of the Legislature in the adoption of subdivision (*l*) to further the safety of the general public by ensuring that a private property owner, owner's agent, or person in lawful possession of private property has provided his or her authorization for the removal of a vehicle from his or her property, thereby promoting the safety of those persons involved in ordering the removal of the vehicle as well as those persons removing, towing, and storing the vehicle.
- (3) It is the intent of the Legislature in the adoption of subdivision (g) to promote the safety of the general public by requiring towing companies to unconditionally release a vehicle that is not lawfully in their possession, thereby avoiding the likelihood of dangerous and violent confrontation and physical injury to vehicle owners and towing operators, the stranding of vehicle owners and their passengers at a dangerous time and

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location, and impeding expedited vehicle recovery, without wasting state and local law enforcement's limited resources.

- (4) The Legislature finds that the safety and welfare of the general public is promoted by a uniform statewide regulation of tow truck companies related to the towing and storage of vehicles, thereby ensuring against towing mistakes that may lead to violent confrontation, stranding motorists in dangerous situations, impeding the expedited vehicle recovery, and wasting state and local law enforcement's limited resources.
- (r) The remedies provided in this section are not exclusive and are in addition to other remedies or procedures that may be provided in other provisions of law.
  - SEC. 2. Section 22658.2 of the Vehicle Code is repealed.
- SEC. 3. Section 22953 of the Vehicle Code is amended to read:
- 22953. (a) An owner, owner's agent, or person in lawful possession of private property that is held open to the public, or a discernible portion thereof, for parking of vehicles at no fee, or an employee or agent thereof, shall not tow or remove, or cause the towing or removal, of a vehicle within one hour of the vehicle being parked.
- (b) Notwithstanding subdivision (a), a vehicle may be removed immediately under any of the following *circumstances*:
- (1) The vehicle is illegally parked within 15 feet of a fire hydrant, in a fire lane.
- (2) The vehicle is parked in a manner that interferes with an entrance to, or exit from, the private property.
- (3) The vehicle is illegally parked in a parking space or stall legally designated for disabled persons.
- (c) Subdivision (a) does not apply to property designated for parking at an apartment complex, or to property designated for parking at a hotel or motel where the parking stalls or spaces are clearly marked for a specific room.
- (d) It is the intent of the Legislature in the adoption of subdivision (a) to avoid causing the unnecessary stranding of motorists and placing them in a dangerous situations, when traffic citations and other civil remedies are available, thereby promoting the safety of the general public.

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- 1 (e) A person who violates this section is civilly liable to the 2 owner of the vehicle or his or her agent for two times the amount 3 of the towing and storage charges.
- SEC. 4. Section 40000.15 of the Vehicle Code is amended to 4 5 read:
- 40000.15. A violation of any of the following provisions shall 6 7 constitute a misdemeanor, and not an infraction:
- 8 Subdivision (g), paragraph (2) of subdivision (j), paragraph (4) of subdivision (k), or subdivision (l) of Section 22658, relating to the removal of vehicles from private property. 10
- Sections 23103 and 23104, relating to reckless driving. 11
- 12 Section 23109, relating to speed contests or exhibitions.
- 13 Subdivision (a) of Section 23110, relating to throwing at 14 vehicles.
- 15 Section 23152, relating to driving under the influence.
- Subdivision (b) of Section 23222, relating to possession of 16 17 marijuana.
- 18 Subdivision (a) or (b) of Section 23224, relating to persons
- 19 under 21 years of age knowingly driving, or being a passenger in,
- 20 a motor vehicle carrying any alcoholic beverage.
- 21 Section 23253, relating to officers on vehicular crossings.
- 22 Section 23332, relating to trespassing.
- 23 Section 24002.5, relating to unlawful operation of a farm 24 vehicle.
- 25 Section 24011.3, relating to vehicle bumper strength notices.
- 26 Section 27150.1, relating to sale of exhaust systems.
- 27 Section 27362, relating to child passenger seat restraints.
- 28 Section 28050, relating to true mileage driven.
- 29 Section 28050.5, relating to nonfunctional odometers.
- 30 Section 28051, relating to resetting odometers.
- 31 Section 28051.5, relating to devices to reset odometers.
- 32 Subdivision (d) of Section 28150, relating to possessing four or 33 more jamming devices.
- SEC. 5. No reimbursement is required by this act pursuant to 34
- 35 Section 6 of Article XIIIB of the California Constitution because
- the only costs that may be incurred by a local agency or school 36
- 37 district will be incurred because this act creates a new crime or
- 38 infraction, eliminates a crime or infraction, or changes the
- 39 penalty for a crime or infraction, within the meaning of Section
- 40 17556 of the Government Code, or changes the definition of a

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- 1 crime within the meaning of Section 6 of Article XIII B of the2 California Constitution.